

GUIDING MONTANA BUSINESSES TO *Success*

MONTANA SBDC FY 2012 ANNUAL REPORT



PREPARED BY THE SBDC LEAD CENTER
MONTANA DEPARTMENT OF COMMERCE
JANUARY 1, 2013

WELCOME

The Montana SBDC Network is a network of ten centers strategically positioned throughout the state to ensure that residents of every county have access to small business assistance. We offer free, confidential counseling and free or low-cost training to both existing businesses and aspiring entrepreneurs.

Our SBDC Directors and Business Advisors assist clients every day with the preparation or fine-tuning of business plans, financial management, operations assistance, loan applications and marketing initiatives. The SBDCs are dedicated to helping small businesses throughout Montana achieve their dreams of growth, expansion, innovation and success. The SBDC Network combines the resources of federal, state and local organizations with that of the educational system and private sector to meet the specialized and complex needs of the small business community.

SBDC training seminars address timeless small business issues such as cash flow management, as well as new and emerging trends such as the use of social networking sites to market small business.

We appreciate the support of our Host organizations, which include higher education institutions and economic development organizations; these funding partners and community contributors help to ensure the Montana SBDC Network's continued success. We are grateful to the volunteers and consultants who work with the SBDC to maintain the highest level of quality of our program for the entrepreneurs of Montana.

We are proud to publish this update on our productivity and economic impact in 2012. Please enjoy the success stories contained within – their success is Montana's success.

Sincerely,

Ann Desch

Ann Desch
State SBDC Director
Montana SBDC Network
Montana Department of Commerce



2012 ECONOMIC IMPACT

With entrepreneurship on the rise, it is more important than ever for entrepreneurs to receive the assistance they need to grow their ideas into successful small businesses. The following numbers reflect the impact of SBDC counseling on Montana's small businesses and the general economy:

Successfully launched start-ups	62
Percent client satisfaction rating of "Excellent" or "Good"	95
Training seminars held by the SBDC Network	127
Jobs created and saved at small businesses	640
SBDC training attendees	1,530
Hours spent counseling small businesses and entrepreneurs	5,000
State tax revenue generated by SBDC clients	\$877,544
Federal tax revenue generated by SBDC clients	\$1,400,000
Aggregate sales increase of SBDC clients	\$84,400,000
Total investments accessed by SBDC clients	\$84,544,188

INVEST IN *Success* BUSINESS CONFERENCE

The Montana SBDC Network will be hosting its fourth annual Invest in Success small business conference on April 24 and 25 at Montana Tech in Butte. The conference offers small business owners and potential entrepreneurs the opportunity to obtain knowledge to enhance their financial, managerial and technical skills as well as connect with resource partners and network with others in the small business community. The diversity and number of renowned speakers lined up for the 2013 conference should make the event very appealing to small business owners. The network is excited to have Michael Shuman, a leading expert on community economics and sustainability, as the keynote speaker for the conference. Other conference highlights include:

- ⇒ A Montana Entrepreneur Panel, featuring Sarah Calhoun of Red Ants Pants, White Sulphur Springs
- ⇒ 20 dynamic and powerful speakers from around Montana
- ⇒ Question and answer sessions with industry experts
- ⇒ Opportunities to connect with other business resource partners
- ⇒ Pre-conference networking event at Headframe Spirits in Uptown Butte
- ⇒ Behind-the-scenes tour of the SeaCast Investment Castings' facility in Butte

Interested individuals are encouraged to register early and take advantage of the early bird price of \$75 (increases to \$125 after the March 1 deadline) at www.regonline.com/investinsuccess

Other speakers scheduled to present include:

- Pattie Craumer, Global Life Studios
- Mike Tobiason, Anderson Zurmuehlen
- Colleen Rudio, Rudio Performance Management
- Christine Bell, Montana Technology Innovation Partnership
- SBDC Directors Chris Parson, Dan Anderson, Rebecca Engum, Lorene Hintz, Rebecca Hedegaard
- Todd Daniels, Montana Manufacturing Extension Center
- Murray Steinman, Flying Horse Communications
- Norma Nickerson, Institute for Tourism and Recreation Research, University of Montana
- Tom Egelhoff, www.smallbusinessmarketing.com
- Frank Rowan, Mr. Business Builder

SBDC SUCCESS STORY

TARANTINO'S PIZZERIA, BOZEMAN

Tarantino's has successfully operated their single location on the busy corner of Main Street and Rouse Avenue in Bozeman, Montana for several years. The pizzeria currently caters mainly to late-night crowds making their way through Bozeman's thriving Mid-east Main Street bar district. Even though Tarantino's was selling a lot of individual slices after 10 p.m., they felt like they were missing out on a *huge* part of the pizza market: families, non-bar going adults and seniors. Sean Becker, Business Advisor with the SBDC at Montana Community Development Corporation in Bozeman, guided Ryan Olson, owner of Tarantino's, through each phase of business development as he researched a second, more family-friendly location. Sean helped Ryan craft an informed business plan, and they were able to successfully solicit an SBA loan to accompany the equity that Olson himself had invested into the new location. Tarantino's Pizzeria is now open and operating seven days a week on the busy North 7th Avenue, serving customers ranging from seniors to families to sports teams on a regular basis. A recent reviewer on yelp* claimed:

"No matter the location - when you want pizza, you want Tarantino's!"



Photo © by Tarantino's

SBDC SUCCESS STORY

ADVANCED REHAB, PC, HELENA

Physical therapy is an exercise treatment methodology aimed at treating and curing certain physical ailments through stretching and exercise. Advanced Rehab opened in Helena more than a decade ago. Advanced Rehab's commitment to accident and trauma victims has propelled the company in terms of clinical outcomes and patient satisfaction. As the company surpassed the capacity of its current facility, Sandy Marston, founder of Advanced Rehab, came to the SBDC at Montana Business Assistance Connection in Helena for help with where to go next, and how. Dan Anderson, SBDC Director, worked with Sandy to develop a long-term strategic plan. Through this plan, Sandy was able to articulate and quantify her vision for her company's future, which included a new and expanded facility. Dan and Sandy worked to find the perfect location and developed a financing package that was submitted through the Small Business Administration's 504 Loan Program. Despite a tight timeframe, the project was successfully funded. The property has now been remodeled and is home to the new and improved Advanced Rehab. Sandy was able to hire several more employees, and her company remains committed to excellence in pain treatment and physical restoration of its clients.



Photo © by Sandy Marston

SBDC SUCCESS STORY

M&M CIGAR STORE, BUTTE

The M&M Cigar Store is one of Butte, Montana's most historic venues. In late 2009, the business was shut down and closed. In 2011, Butte native Sam Jankovich Jr., son of the former football coach and sports administrator Sam Jankovich, decided he wanted to restore the establishment back to its original grandeur. Sam contacted Julie Jaksha, Director of the SBDC at Headwaters Resource Conservation and Development Area, for guidance in the process. Julie and Sam developed a strong business plan and compelling cash flow projections. Julie helped Sam work out an agreement to buy the property on his own and obtain financing to cover various improvements, upgrades, and the necessary equipment to get the bar (and café) up and running. The bar officially opened for business a few weeks after Saint Patrick's Day. Sam has remained faithful to his vision for the business, and the newly revitalized M&M Cigar Store has been a well-received addition to the uptown Butte area.



Photo © by Lisa Wareham Photography

SBDC SUCCESS STORY

LIMBER TREE YOGA STUDIO, BILLINGS

Sharli Kiner began practicing Yoga in 2006 after developing an extremely painful sciatic nerve and lower back pain. She found that Yoga was instrumental in relieving her pain and allowed her to pursue health and wellness. In 2011, Sharli obtained her teaching certificate, and was compelled to pursue her own Yoga studio. Sharli came to the SBDC at Big Sky Economic Development in Billings for assistance in her pursuit. Rebecca Hedegaard, Director of the SBDC, worked with Sharli to develop a business plan and conduct extensive market research. Sharli anticipated needing a fair amount of financing to get started, and needed a strong business plan to secure the funds. With the help of the SBDC, Sharli obtained adequate financing to open her studio in July 2012. The studio focuses on holistic healing and offers a variety of classes including Yoga, Pilates, Ultra Barre, Nia, Aerial Yoga, and more. Sharli hopes that Limber Tree Yoga will help promote health, wellness and peace of mind in the Billings community.

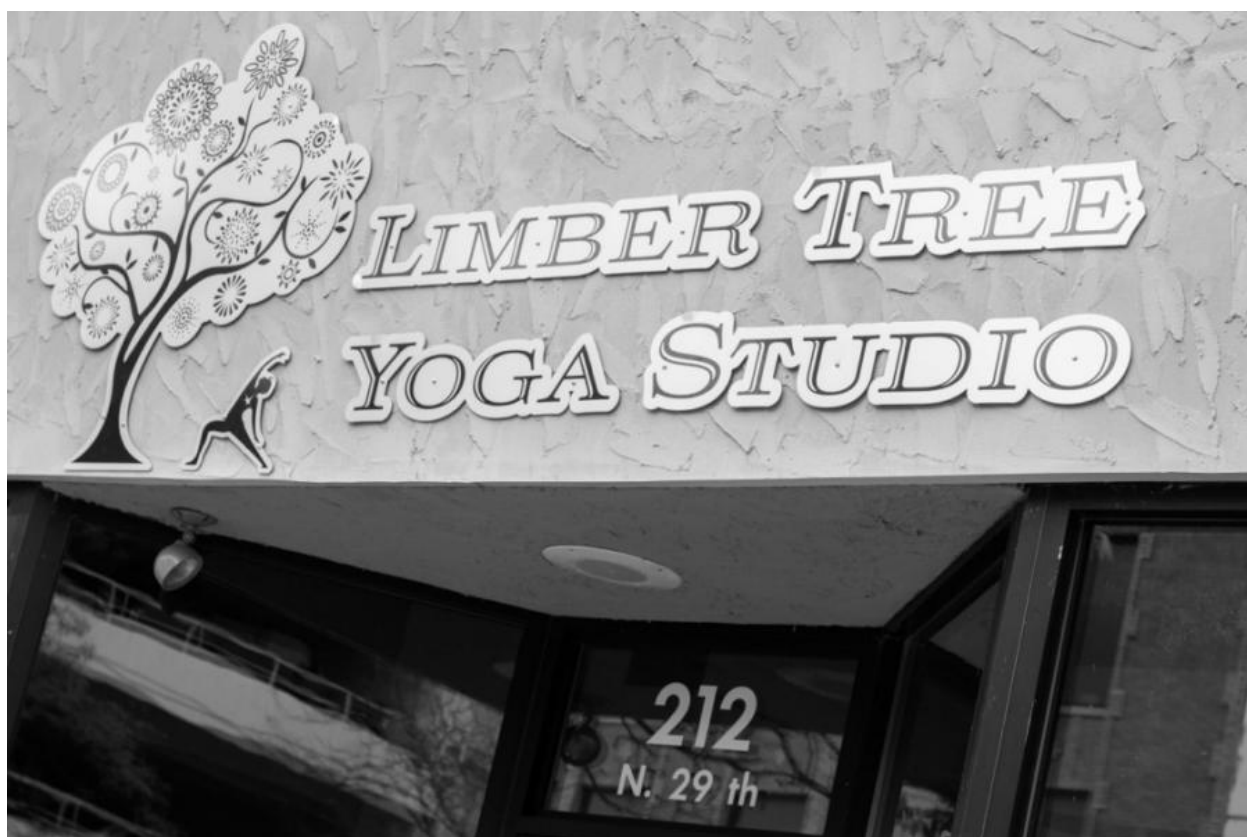


Photo by Limber Tree Yoga Studio, LLC

SBDC SUCCESS STORY

GLACIER DISTILLING, CORAM

Nicolas (Nic) Lee owns Glacier Distilling in Coram, Montana. Glacier Distilling began operations in January 2010, and has seen significant growth over the course of several years. The distillery is right on the way to Glacier National Park, and thus is extremely busy during the summertime in conjunction with the tourism season. As the business grows, the demand increases and so does the need to create an inventory that can sustain a growing market. Nic quickly realized that he needed to develop inventory during the winter months. Nic met up with Chris Parson, Director of the SBDC at Flathead Valley Community College, to discuss financing options available to help build up his inventory. Chris worked with Nic to craft a business plan and develop cash flow projections, with which Nic approached several lenders and was easily able to obtain a loan to help the distillery be more prepared for the 2013 season. Chris also helped Nic apply for an Incumbent Working Training grant; Nic used the funds to attend a workshop on producing Brandy, and now hopes to soon develop a new product offering.

We can't wait!



Photo © by The Morning District

SBDC SUCCESS STORY

EXPRESS LAUNDRY CENTER, MILES CITY

Shane McKinney was a self-employed contractor who saw an opportunity when an existing business moved out of a prime location on a high-traffic avenue in Miles City. With a large influx of out-of-town workers due to natural resource development in Eastern Montana, Shane and his wife Rebecca recognized the need for a clean, energy-efficient and well-staffed Laundromat and dry-cleaning drop-off center. When Shane and Rebecca decided to open the Express Laundry Center, it was very important to them that it be modern, clean, bright and spacious. They wanted to provide unmatched service and quality to make the task of doing laundry more enjoyable. Shane first contacted the Small Business Development Center at Southeastern Montana Development Corporation to assist him with developing a solid business plan. Jaimi Balsam, SBDC Director at the time, worked with Shane for several months, perfecting his business plan, preparing financial projections, and developing a financing package to adequately fund the project. With the SBDC's assistance, the McKinney's were approved for financing and opened the Express Laundry Center in late 2011.

And the business has been flourishing ever since.



Photo © by Express Laundry Center

SBDC SUCCESS STORY

THE NOVA CAFÉ, BOZEMAN

What started as a new ventilation system turned in to a full-fledged remodel of the Nova Café, one of Bozeman's busiest breakfast and lunch restaurants. "It started the process of looking at the business as a whole," said owner Serena Rundberg (Bozeman Daily Chronicle). In the beginning stages of her remodel plans, Serena approached the Small Business Development Center at Montana Community Development Corporation in Bozeman for assistance in crafting a business plan and cash flow projections that adequately addressed why her restaurant needed several critically important upgrades and what the impact of the upgrades would be. Sean Becker, Business Advisor with the SBDC at Montana CDC, worked with Serena to develop a solid business plan and financial projections in order to prepare a fully informed lending application. Serena successfully submitted a loan request to cover the remodel plans. In addition, Sean worked with Serena to solicit Incumbent Worker Training funds to finance training from the American Barista Coffee School for several of her employees. Sean also worked with Six Pony Hitch to complete a marketing audit of The Nova Café.

Aside from gutting the kitchen, the dining area now has fresh paint, bright diner chairs and booths and a redesigned entry and coffee bar area in what Rundberg is calling a "new retro diner" style. "The Nova has always been an eclectic café," she said. "We wanted to continue in that theme." (Bozeman Daily Chronicle)



Photo © by Andrew Preston

MONTANA SBDC NETWORK

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SMALL BUSINESS DEVELOPMENT CENTER (SBDC) REGIONS

Montana Department of Commerce - Business Resources Division

